

THE HEALTH REFORM STRATEGY IN THE CHANGED ECONOMIC ENVIRONMENT*

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The degree of social stability in the country is largely determined by the efficiency of the health care system which is designed to counter the adverse effects of the social and economic realities on the health of the people. The social and economic transformations in the country dictated the need to take effective measures to improve prevention and to raise quality of health care.

The transition of Russia's economy to the market rails and the dramatic changes involving all the spheres of social life demanded a serious restructuring of the organization and control over the health sector. Inflationary processes have resulted in reduced budget spending on health. The centrally operated system of health care proved to be slow and maladjusted to change.

The need to reform the health care system in the country became evident as far back as in the 1960s when there were first registered such negative tendencies in health dynamics as growing general and infant mortality, lower life expectancy, etc., and inefficient health care resources utilization was noted.

Since that time a gradual decline in the nation's health started. The growth of mortality against the background of reduced number of births led, in 1992-1994, to a decrease in the population of Russia. In 1994 the mortality figure was 15.7 per cent. The natural growth of the population for the Russian Federation was -6.1 per cent in 1994. Average life expectancy in Russia was 64.2 years, 1.4 per cent lower than the previous year figure, men's life expectancy being 57.3, and women's 71.1, with a difference of 13.8 years. The nation has to bear the economic and social burden of premature mortality. Of the total losses of the working population, 47.7 per cent is accounted for by injuries and food and drug poisoning; 11.8 per cent, perinatal diseases; 9.9 per cent, cancerous growth; 9.5 per cent, blood circulation system pathology; 6.7, respiratory system diseases; 7.5, congenital diseases; 4 per cent, infectious diseases. Other factors of loss include the growing number of chronic diseases, starting from early childhood, increase in the number of patients with congenital abnormalities, the mentally ill, and the disabled.

In the process of the development of the scientific framework of health care reform a number of problems arose whose efficient solution was vital for the success of reform. In the first place, the scarcity of the available resources makes it important that special emphasis be placed on the selection of priorities in the health care system and medical science development. Priority should undoubtedly be given to those sectors of the health care system which have to cope with heaviest societal losses. To achieve this goal, a new approach was developed to provide the scientific groundwork for reform: evaluation of social and economic implications of premature mortality in terms of potential human labor losses expressed in thousands person/years of lost labor. Specially developed expert procedures were applied to establish the degree to which proper health care can reverse the process of loss of labor depending on the group of diseases and causes of death.

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Our experts have identified individual services, types of care, and branches of medical science which, given priority, could help reverse the process of losing labor, and have come out with recommendations on the development of specific types of care. In accordance with the scientifically grounded approach of priority development of selected sectors of health care the main goal of reform was formulated as *satisfying the needs of the population in accessible quality preventive care and treatment of diseases in the context of social and economic reform.*

Below are the trends in health care as we see them:

- a shift of the emphasis from treatment of diseases to preventive care; from hospital care (about 25 per cent of Russia's population are hospitalized annually) to outpatient treatment; and from the volume of health services to quality;
- development and implementation of a Health For All and Everyone program which would be coherent with the WHO health care strategy. Such a program should be of an intersectoral character and unite the efforts of all the strata and structures of society towards achieving better health ;
- implementation of the health reform , mainly on the level of territories, including:
 - a. Development of primary care, introduction of the general practitioner (family doctor) concept to bring health care closer to its users.
 - b. Reorganization of the ambulance service and emergency treatment; introduction of phased inpatient care.
 - c. Bringing order in the processes of decentralization and centralization in health care management.
 - d. Allowing for broader access to intensive care and resuscitation.
 - e. Raising quality of health care through stricter adherence to standards; development of government and non-government expert services to control the quality of medical care and drug supply.
 - f. Improvement of drug supply, development of all the sectors of the national pharmaceutical industry, including production of vaccines and serums.
 - g. Improvement of the information service of health care providers.
 - h. Training of health care leaders in new methods of management to prepare them for work in a changed social and economic environment.
- the establishment of a system of monitoring of health and health care, and the reform process in various regions of Russia.

An important aspect of reform is bringing the existing health care management mechanisms in line with the new economic relations, and seeking additional sources of finance which is hoped to strengthen the material basis of all sectors of the health care system, and allow to adequately reimburse health care workers. As an expected outcome, quality of care and preventive medicine will be considerably improved.

In accordance with the concept of health reform the main trends in health care development have been identified.

The policies in the health care system should involve:

- a restructuring and a transition to an insurance system of health care, retaining the equally accessible care for all citizens of Russia;

- providing the necessary government support of the health care system to protect the rights of the people in what concerns access to the guaranteed volume of health care services;
- the establishment, support of the development, and regulation of all the variety of health care systems, including the government-run, regional, and municipal, activities of funds and associations, mandatory and voluntary health insurance, and privately practicing physicians;
- providing guarantees, through the government health care sector, for the constitutional right of citizens to health protection and health care.

As our final goal, we should establish a health care system which would be financed from the state budget, the mandatory health insurance resources, and through patients' direct pay.

Legal support involves:

- development of a legislative framework to support the implementation of reform;
- legal support of day-to-day activities of health care management bodies of all levels;
- legal protection of rights of patients.

Planning and management:

- development of federal and territorial purpose-oriented programs coherent with the selected health and health care priorities with due regard for the current stage of reform;
- reorganization of the health care management system;
- division of authority, functions, and responsibilities between the federal bodies and lower level bodies in accordance with the WHO recommendations on decentralization; between the government, municipal, and private health care systems; between the currently operating structures of health care management and the newly established, such as the mandatory health insurance funds.

The personnel policies involve:

- training health care workers with regard for the subsequent reorganization of primary medical and social, as well as hospital care, including primary and advanced training of management workers of all levels to prepare them for work in the new economic and legal environment.

In the sphere of medicines and medical technology:

- reorganization of the system of drug supply and development of the national medical and pharmaceutical industry;
- de-nationalization of the medical technology and pharmaceutical industries, and wholesale and retail trade;
- establishing a system of government orders for the delivery of vital medicines;
- state support of projects, businesses, and manufacturers providing medical products;
- state regulation of prices on medicines, medical technology, and other products of the health care range;
- state control over quality of medicines and medical technology;
- attraction of national and foreign investors to promote development of Russia's medical and pharmaceutical industries.

In the sphere of information support:

- improvement of the state system of statistical data collection and record-keeping, introduction of new forms and methods of medical and pharmaceutical aspects of activities of organizations irrespective of the form of ownership, bringing health care statistics in line with the international standards;
- establishing information systems and models to support priority areas of health and health care.

The health care reform mechanism is based on the health insurance model which has been successfully tried and tested in the industrialized countries.